



# Required Supplementary Information

THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<u>Revenues:</u>				
Taxes – property:				
Real and personal property, net	\$ 23,573,000	\$ 23,573,000	\$ 23,636,271	\$ 63,271
Penalties, interest and fees	300,000	300,000	295,752	(4,248)
Total taxes - property	23,873,000	23,873,000	23,932,023	59,023
Taxes – income	10,300,000	10,300,000	11,088,210	788,210
Taxes – other local:				
Recordation	1,200,000	1,200,000	977,234	(222,766)
Franchise tax	136,000	136,000	138,718	2,718
Mobile home	82,000	82,000	72,833	(9,167)
Total taxes – other local	1,418,000	1,418,000	1,188,785	(229,215)
Taxes – state-shared:				
Highway users	195,267	195,267	195,215	(52)
Licenses and permits:				
Liquor	68,000	68,000	67,802	(198)
Traders license	22,000	22,000	20,985	(1,015)
Building permits	103,000	103,000	68,608	(34,392)
Other	14,500	14,500	8,950	(5,550)
Total licenses and permits	207,500	207,500	166,345	(41,155)
Intergovernmental revenue:				
Grants from federal government:				
Emergency management	67,000	67,000	67,113	113
MDA soil conservation grant	55,506	55,506	54,651	(855)
Other federal grants	1,000	1,000	3,804	2,804
Temporary food assistance	5,000	5,000	7,800	2,800
MFS soil conservation	43,158	43,158	-	(43,158)
Federal disaster aid	-	-	282,383	282,383
Adult drug court grant	125,173	125,173	89,004	(36,169)
Incremental grant	45,000	45,000	38,316	(6,684)
Total grants from federal government	341,837	341,837	543,071	201,234

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
(CONTINUED)

YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<u>Revenues (continued):</u>				
Grants from state government:				
Equity grant	\$ 2,131,782	\$ 2,131,782	\$ 2,131,782	\$ -
Police protection	100,000	100,000	107,710	7,710
Tobacco and Teen Court	55,401	55,401	51,313	(4,088)
Family services grant	163,350	163,350	151,357	(11,993)
Juvenile Drug Court	62,306	62,306	58,496	(3,810)
Fire companies	206,536	206,536	208,628	2,092
Other	115,078	115,078	123,195	8,117
Total grants from state government	2,834,453	2,834,453	2,832,481	(1,972)
Other Grants:				
School Resource Officer Grant	140,000	140,000	140,091	91
Other Grants	-	-	21,204	21,204
Total other grants	140,000	140,000	161,295	21,295
Charges for services:				
General government	256,949	256,949	212,614	(44,335)
Public safety	435,000	435,000	329,791	(105,209)
Public works	129,000	129,000	173,679	44,679
Recreation charges	57,180	57,180	57,563	383
Health	10,000	10,000	10,242	242
Weed control	18,000	18,000	9,454	(8,546)
Total charges for services	906,129	906,129	793,343	(112,786)
Miscellaneous revenues:				
Interest	10,000	10,000	4,808	(5,192)
Rents	36,000	36,000	27,430	(8,570)
Municipal infrastructure	23,046	23,046	23,046	-
Other	-	-	30,836	30,836
Total miscellaneous revenues	69,046	69,046	86,120	17,074
Total revenues - General Fund	\$ 40,285,232	\$ 40,285,232	\$ 40,986,888	\$ 701,656

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
(CONTINUED)

YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<u>Expenditures:</u>				
General government:				
County commissioners	\$ 506,683	\$ 506,797	\$ 502,051	\$ (4,746)
Ethics commission	200	200	-	(200)
Juvenile inter government grant	15,000	15,000	15,000	-
Judicial:				
Drug Court	125,173	125,173	89,004	(36,169)
Juvenile Drug Court	62,306	62,306	58,188	(4,118)
Family services grant	181,017	181,017	170,356	(10,661)
Circuit Court	273,789	274,845	273,777	(1,068)
Orphan's Court	17,995	17,995	18,188	193
State's attorney	698,825	699,485	717,291	17,806
Total judicial	1,359,105	1,360,821	1,326,804	(34,017)
Elections	312,080	312,080	374,110	62,030
State department of assessments	245,000	245,000	245,176	176
Tax Office	274,719	274,899	266,198	(8,701)
Office of Finance	279,055	279,240	270,885	(8,355)
Legal services	181,980	182,373	218,033	35,660
Office of Human Resources	514,119	514,211	486,536	(27,675)
Planning and codes administration	706,653	707,316	687,522	(19,794)
General services	167,408	150,826	107,038	(43,788)
Town planning grants	12,500	12,500	12,500	-
Office of Technology	339,893	340,207	339,506	(701)
Total general government	4,914,395	4,901,470	4,851,359	(50,111)
Public safety:				
Sheriff's department	2,529,737	2,530,051	2,434,904	(95,147)
Courthouse security	254,740	254,740	232,837	(21,903)
School Resource Officer	188,215	188,215	183,613	(4,602)
Tobacco and Teen Court Program	55,401	55,401	55,732	331
Adult offender Comm. Service	30,720	30,720	30,720	-
Fire protection	1,415,499	1,415,499	1,417,591	2,092
Corrections	3,163,662	3,165,703	3,247,699	81,996
Emergency Services - admin.	231,079	231,734	226,510	(5,224)
Emergency Services - communicat.	1,242,995	1,242,995	1,174,141	(68,854)
Emergency Services - med services	2,198,827	2,203,223	2,313,255	110,032
Emergency Services - risk mgmt.	119,072	122,138	123,272	1,134
Animal control	275,000	275,000	275,000	-
Liquor licensing	17,170	17,170	9,737	(7,433)
Total public safety	11,722,117	11,732,589	11,725,011	(7,578)

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
(CONTINUED)

YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<u>Expenditures (continued):</u>				
Public works:				
Administration	\$ 489,241	\$ 490,395	\$ 559,979	\$ 69,584
Central shop	599,447	599,447	565,084	(34,363)
Solid waste disposal	429,928	429,928	362,876	(67,052)
Johnsongrass	74,165	74,165	55,728	(18,437)
Mosquito control	65,830	65,830	71,534	5,704
Roads	1,386,634	1,386,634	1,429,146	42,512
County buildings	523,742	523,742	479,275	(44,467)
Total public works	3,568,987	3,570,141	3,523,622	(46,519)
Health:				
Health Department	377,903	377,903	377,903	-
Other	74,945	74,945	74,935	(10)
Total health	452,848	452,848	452,838	(10)
Social services	131,362	131,362	133,412	2,050
Education:				
Primary education	12,299,444	12,299,444	12,299,444	-
Chesapeake College	1,478,104	1,478,104	1,478,104	-
Culinary school	2,500	2,500	2,500	-
Total education	13,780,048	13,780,048	13,780,048	-
Public library	1,100,000	1,100,000	1,100,000	-
Recreation and parks	800,838	802,137	742,268	(59,869)
Arts	5,000	5,000	5,000	-
Conservation of natural resources	335,242	335,242	290,726	(44,516)
Economic development	242,850	242,850	242,850	-
Contingency	142,580	142,580	40,863	(101,717)
Debt service:				
Principal	3,089,405	3,089,405	3,081,118	(8,287)
Interest	1,126,266	1,126,266	1,118,515	(7,751)
Total debt service	4,215,671	4,215,671	4,199,633	(16,038)
Total expenditures – General Fund	41,411,938	41,411,938	41,087,630	(324,308)

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
(CONTINUED)

YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<u>Other financing sources (uses):</u>				
Transfer in from:				
Educational facilities	\$ 100,000	\$ 100,000	\$ 100,000	-
Fire service calls	-	-	35,341	35,341
Basic life support	575,000	575,000	639,835	64,835
Capital reserve	450,000	450,000	-	(450,000)
State agricultural land preservation	20,000	20,000	20,000	-
OPEB trust	202,500	202,500	211,938	9,438
Transfer out to:				
4-H park	(29,794)	(29,794)	(29,794)	-
Capital improvements	(73,000)	(73,000)	(73,000)	-
Retiree health care	(118,000)	(118,000)	(127,439)	9,439
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Total other financing sources (uses) – General Fund	1,126,706	1,126,706	776,881	(349,825)
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Total expenditures and other financing sources (uses)	40,285,232	40,285,232	40,310,749	25,517
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Net change in fund balances	\$ -	\$ -	\$ 676,139	\$ 676,139

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
BUDGETARY COMPARISON SCHEDULE – SPECIAL REVENUE GRANTS FUND  
YEAR ENDED June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:				
Intergovernmental revenues	\$ 1,422,510	\$ 1,422,510	\$ 939,976	\$ (482,534)
Expenditures:				
Economic development	1,422,510	1,422,510	939,976	(482,534)
Revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY

SCHEDULE OF FUNDING PROGRESS - CAROLINE COUNTY, MARYLAND EMPLOYEES' PENSION PLAN

June 30, 2012

Valuation Date	(a) Plan Assets	Actuarial Accrued Liability	Unfunded Accrued Liability	Funded Ratio	Payroll	Unfunded as a Percent of Payroll
July 1, 2011	\$ 14,105,253	\$ 21,620,665	\$ 7,515,412	65.24%	\$ 7,060,145 (b)	106.45%
July 1, 2010	\$ 14,195,237	\$ 19,709,260	\$ 5,514,023	72.02%	\$ 7,101,829 (b)	77.64%
July 1, 2009	\$ 14,016,282	\$ 17,363,359	\$ 3,347,077	80.72%	\$ 7,937,968 (b)	42.17%
July 1, 2008	\$ 13,583,409	\$ 18,425,556	\$ 4,842,147	73.72%	\$ 9,323,986 (b)	51.93%
July 1, 2007	\$ 11,904,279	\$ 16,976,810	\$ 5,072,531	70.12%	\$ 9,191,745 (b)	55.19%
July 1, 2006	\$ 9,897,605	\$ 15,409,505	\$ 5,511,900	64.23%	\$ 8,520,406 (b)	64.69%
July 1, 2005	\$ 7,917,091	\$ 13,514,678	\$ 5,597,587	58.58%	\$ 7,103,488 (b)	78.80%
July 1, 2004	\$ 7,326,327	\$ 11,593,642	\$ 4,267,315	63.19%	\$ 6,543,269 (b)	65.22%
July 1, 2003	\$ 7,082,092	\$ 10,295,609	\$ 3,213,517	68.79%	\$ 6,397,204 (b)	50.23%
July 1, 2002	\$ 6,737,744	\$ 8,157,363	\$ 1,419,619	82.60%	\$ 5,520,419	25.72%

(a) Assets are valued at actuarial assets.

(b) Includes payroll of employees with less than one year's service who are excluded from valuation.

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY

SCHEDULE OF EMPLOYER CONTRIBUTIONS-  
CAROLINE COUNTY, MARYLAND EMPLOYEES' PENSION PLAN  
June 30, 2012

Year Ended June 30,	Annual Required Contribution	Actual Contribution	Shortfall / (Excess)
2003	\$ 430,436	\$ 500,000	\$ (69,564)
2004	\$ 602,272	\$ 570,000	\$ 32,272
2005	\$ 740,178	\$ 667,200	\$ 72,978
2006	\$ 902,230	\$ 2,000,000	\$ (1,097,770)
2007	\$ 985,884	\$ 1,500,000	\$ (514,116)
2008	\$ 1,007,677	\$ 1,500,000	\$ (492,323)
2009	\$ 998,878	\$ 1,586,832 (a)	\$ (587,954)
2010	\$ 788,301	\$ 778,000	\$ 10,301
2011	\$ 934,567	\$ 775,000	\$ 159,567
2012	\$ 1,121,819	\$ 875,000	\$ 246,819

(a) Includes \$387,832 sent to Maryland State LEOPS Plan in lieu of transfer from county plan for sworn officers' transferring on 7/1/09.

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY

OTHER POSTEMPLOYMENT BENEFIT PLAN - FUNDING PROGRESS AND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

June 30, 2012

The County's Other Postemployment Benefit Plan (OPEB Plan) is administered through the Caroline County Postemployment Benefits Trust Fund as an irrevocable trust. Assets of the trust are dedicated to providing post-retirement health coverage to current and eligible future retirees. Only County employees and their surviving spouses and dependents with at least 20 years of service with the County and entitled to receive retirement benefits, are eligible to receive post-retirement health insurance benefits under the subsidy schedule used in the July 1, 2011 valuation.

The following schedules present the County's actuarially determined funding progress and required contributions for the Caroline County Other Postemployment Benefits Trust Fund.

Schedule of Funding Progress for the Other Postemployment Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll c	UAAL as a Percentage Of Covered Payroll ([b-a])/c
July 1, 2009	\$ 3,844,551	\$ 7,435,042	\$ 3,590,491	51.71%	\$ 8,577,564	41.86%
July 1, 2010	\$ 4,046,468	\$ 7,779,640	\$ 3,733,172	52.01%	\$ 8,494,413	43.95%
July 1, 2011	\$ 4,036,000	\$ 7,115,000	\$ 3,079,000	56.73%	\$ 7,060,145	43.61%

Schedule of Employer Contributions

Year Ended	Annual OPEB Cost	Contributions Made	Percentage Contributed	Net OPEB Obligation/ (Prepaid)
June 30, 2010	\$ 540,830	\$ 228,897	42.32%	\$ (2,960,687)
June 30, 2011	\$ 509,807	\$ 366,731	71.94%	\$ (2,817,611)
June 30, 2012	\$ 518,000	\$ 247,720	47.82%	\$ (2,547,331)

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THE COUNTY COMMISSIONERS OF CAROLINE COUNTY  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2012

**1. Budgets and Budgetary Accounting**

Formal budgetary accounting is employed as a management control for most funds of the County, except fiduciary funds. A legal budget is not adopted for the OJP Grant Law Enforcement, Dayspring Townhomes, MEAF Revolving Loan and Revolving Loan. The budgetary financial schedules included in required supplementary information include the General Fund and Special Grants Fund, a major special revenue fund, as required. Budgetary comparison schedules for all annually budgeted Special Revenue and Capital Projects Funds are included in Other Supplementary Information. The basis for budgeting is the modified accrual basis, excluding certain expenditures such as compensated absences, which results in non-GAAP basis. All annual appropriations lapse at fiscal year-end.

The legal level of budgetary control (that is, the level at which expenditures cannot exceed budgeted appropriations) is at the department level. However, with proper approval by the County Commissioners, budget transfers can be made. The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments made by the County Commissioners. There were no material violations of the annual appropriated budget for the fiscal year ended June 30, 2012.